FORM N-168 (REV. 2005)

## STATE OF HAWAII—DEPARTMENT OF TAXATION

## **Income Averaging for Farmers and Fishermen**

Attach to Form N-11, N-12, or N-15

2005

Name Social Security Number Enter the taxable income from your 2005 Form N-11, line 25; Form N-12, line 41; or Form N-15, line 43....... Enter your **elected farm income. Do not** enter more than the amount on line 1. (See Instructions) ...... 2 2. Line 1 minus line 2. 3 Figure the tax on the amount on line 3 using the 2005 tax rates. (See Instructions)..... If you used Form N-168 to figure your tax for: • 2004, enter the amount from your 2004 Form N-168, line 11. • 2003 but not 2004, enter the amount from your 2003 Form N-168, line 15. 2002 but not 2003 or 2004, enter the amount from your 2002 Form N-168, line 3. Otherwise, enter the taxable income from your 2002 Form N-11, line 24; Form N-12, line 38; or Form N-15, line 40. If zero or less, see Instructions..... 5 Divide the amount on **line 2** by 3.0..... 7 Combine lines 5 and 6. If zero or less, enter -0-..... Figure the tax on the amount on line 7 using the 2002 tax rates. (See Instructions)..... If you used Form N-168 to figure your tax for: • 2004, enter the amount from your 2004 Form N-168, line 15. • 2003 but not 2004, enter the amount from your 2003 Form N-168, line 3. Otherwise, enter the taxable income from your 2003 Form N-11, line 24; Form N-12, line 38; or Form N-15, line 40. If zero or less, see Instructions...... 9 10. Enter the amount from line 6 10 11. Combine lines 9 and 10. If less than zero, enter as a negative amount...... 11 12. Figure the tax on the amount on line 11 using the 2003 tax rates. (See Instructions)..... 12 13. If you used Form N-168 to figure your tax for 2004, enter the amount from your 2004 Form N-168, line 3. Otherwise, enter the taxable income from your 2004 Form N-11, line 25; Form N-12, line 41; or Form N-15, line 43, If zero or less, see Instructions..... 13 14. Enter the amount from line 6 14 15. Combine lines 13 and 14. If less than zero, enter as a negative amount...... 15 16. Figure the tax on the amount on line 15 using the 2004 tax rates. (See Instructions)...... 16 **17.** Add lines 4, 8, 12, and 16..... 17 18. If you used Form N-168 to figure your tax for: • 2004, enter the amount from your 2004 Form N-168, line 12. • 2003 but not 2004, enter the amount from your 2003 Form N-168, line 16. 2002 but not 2003 or 2004, enter the amount from your 2002 Form N-168, line 4. Otherwise, enter the tax from your 2002 Form N-11, line 26; Form N-12, line 39; or Form N-15, line 41. (See Instructions)..... 18 19. If you used Form N-168 to figure your tax for: • 2004, enter the amount from your 2004 Form N-168, line 16. 2003 but not 2004, enter the amount from your 2003 Form N-168, line 4. Otherwise, enter the tax from your 2003 Form N-11, line 26; Form N-12, line 39; or Form N-15, line 41. (See Instructions)..... 20. If you used Form N-168 to figure your tax for 2004, enter the amount from your 2004 Form N-168, line 4. Otherwise, enter the tax from your 2004 Form N-11, line 27; Form N-12, line 42; or Form N-15, line 44. (See Instructions) ..... 21. Add lines 18 through 20 21 22. Tax. Line 17 minus line 21. Also include this amount in the total tax on Form N-11, line 26; Form N-12, line 42; or Form N-15, line 44. 22 Caution. Your tax may be less if you figure it using the 2005 Tax Table, Tax Rate Schedules, or Capital Gains Tax Worksheet. Attach Form N-168 only if you are using it to figure your tax.